

STATE OF MICHIGAN



JOHN ENGLER, Governor

DEPARTMENT OF MANAGEMENT & BUDGET

P.O. BOX 30026, LANSING, MICHIGAN 48909

DUANE E. BERGER, Director

April 22, 2002

MEMORANDUM

TO: Administrative Officers

SUBJECT: Perforated Postage Program

An analysis was recently completed on one of the services that has been available to state agencies for many years, the inventory and sale of perforated postage stamps and postcards. The Department of Management and Budget (DMB) purchased postage stamps (and postcards) and perforated the stamps to identify them as state-issue postage. This form of postage was used primarily by field employees and by offices that were not located near centralized metering services. As a result of the recent analysis and research into the more cost-effective alternatives that are now available, this service will no longer be available after June 1, 2002.

In recent years, use and sale of perforated postage has declined significantly as better, faster alternatives became available. These alternatives are listed below:

- Purchase of stamps/postcards at a local Post Office using the State of Michigan Procurement Card. The purchaser must be the person whose name appears on the Procurement Card. (Contact your Department Administrator for information on securing a Procurement Card.) A review of the stamp process by DMB's Internal Auditor confirms that perforating of stamps is no longer necessary or required as stamps are an office supply and each department should already have in place adequate and appropriate controls.
- Purchase of stamps/postcards through the United States Postal Service web site (www.usps.com). An account can be established using the Procurement Card and all stamps that are ordered through this process would be delivered to the address on file. Again, as indicated above, perforating of stamps is not required.
- The purchase/lease of mail metering equipment from one of the USPS-approved vendors. Many different pieces of mail metering equipment are available to meet almost any need.